

**CHAPTER NO. 967**

**SENATE BILL NO. 2461**

**By Cooper**

Substituted for: House Bill No. 2363

By Kisber, Lois DeBerry, Phillips

AN ACT To amend Tennessee Code Annotated, Title 67, Chapter 4, Part 19, relative to the rental car tax.


BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-4-1901(a), is amended by deleting the language "two percent (2%) surcharge or tax" and by substituting instead the language "three percent (3%) surcharge or tax".

SECTION 2. Tennessee Code Annotated, Section 67-4-1903, is amended by deleting the language "Businesses engaged in the retail rental of private passenger motor vehicles for periods of thirty-one (31) days or less and whose predominant business activity is the sale and service of new and used motor vehicles shall be allowed a credit" from the first sentence and by substituting instead the language "A credit shall be allowed".

SECTION 3. The provisions of this act shall take effect on July 1, 1998, the public welfare requiring it.

  
JOHN S. WILDER  
SPEAKER OF THE SENATE

  
JIMMY HAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

**PASSED: April 15, 1998**

**APPROVED this day of 1998**

Pursuant to Article III, Section 18, of the Constitution of the State of Tennessee, the Governor had Senate Bill No. 2461 in his possession longer than ten (10) days, so therefore the bill becomes law without the Governor's signature.

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DON SUNDQUIST, GOVERNOR